


March 23, 2021

VIA ECF

The Honorable Vernon S. Broderick, U.S.D.J.
United States District Court for the Southern District of New York
Thurgood Marshall United States Courthouse
40 Foley Square, Room 415
New York, New York 10007

APPLICATION GRANTED
SO ORDERED 
VERNON S. BRODERICK
U.S.D.J. 3/26/2021

RE: *U.S. Bank National Association, as Trustee for Merrill Lynch First Franklin Mortgage Loan Trust, Series 2007-3 v. First Franklin Financial Corporation, Merrill Lynch Mortgage Lending, Inc., and Bank of America Corporation*
(Case No. 1:19-cv-4890) (“FFMER 2007-3”)

U.S. Bank National Association, as Trustee for Merrill Lynch First Franklin Mortgage Loan Trust, Series 2007-4 v. First Franklin Financial Corporation, Merrill Lynch Mortgage Lending, Inc., and Bank of America Corporation
(Case No. 1:19-cv-5948) (“FFMER 2007-4”)

Dear Judge Broderick:

On behalf of the Plaintiff-Trustee and Defendants (together, the “Parties”) in the above-referenced FFMER 2007-3 and FFMER 2007-4 actions (the “Actions”), we write pursuant to Your Honor’s December 17, 2020 Orders staying the Actions pending the Trustee’s evaluation of the written offers to settle the Actions (the “Proposed Settlements”) (19-cv-4890, Dkt. No. 65; 19-cv-5948, Dkt. No. 66).

Your Honor’s Orders require that “the Parties report to the Court regarding the status of the Trustee’s evaluation [of the Proposed Settlements] by March 25, 2021.” (*Id.*)

The Plaintiff-Trustee recently received new offers to settle each of the Actions, which provide for larger settlement payments to the FFMER 2007-3 and FFMER 2007-4 Trusts (the “New Settlement Offers”). On February 18, 2021, the Plaintiff-Trustee provided notice of the New Settlement Offer made in the FFMER 2007-3 Action to certificateholders in the FFMER 2007-3 Trust, and on March 11, 2021, the Plaintiff-Trustee provided notice of the New Settlement Offer made in the FFMER 2007-4 Action to certificateholders in the FFMER 2007-4 Trust. The Trustee has solicited direction from certificateholders in the FFMER 2007-3 and 2007-4 Trusts regarding the New Settlement Offers. After receiving the results of those solicitations, the Trustee will determine the next steps in evaluating the New Settlement Offers, which will likely involve retention of an independent expert to advise the Trustee in anticipation of the Trustee seeking instruction in a judicial trust instruction proceeding in Minnesota state court.

In the interest of efficiency and to reduce the burden on the Parties and the Court, the Parties respectfully request that the stays remain in place and that the Parties report to the Court regarding the status of the Trustee’s evaluation of the New Settlement Offers by June 24, 2021.

Hon. Vernon S. Broderick, U.S.D.J.
U.S. Bank Nat'l Ass'n v. First Franklin Financial Corp.
Case Nos. 1:19-cv-4890 and 1:19-cv-5948
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We appreciate the Court's consideration of this request, and the Parties are available to address any questions the Court may have.

Respectfully submitted,

McKOOL SMITH, P.C.

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